

FISCAL NOTE

TO: Chief Clerk of the Senate
Chief Clerk of the House

FROM: James A. Davenport, Executive Director

DATE: March 18, 1996

SUBJECT: **HB 2475 - SB 2820**

This bill, if enacted, will create the *Tennessee Scholastic Athlete Protection Act of 1996* which requires an athlete agent and a student athlete who enter into an agent contract to provide written notice to the college in which the student is enrolled. Failure to provide notification is a Class E felony. The contract must state the fees and percentages to be paid by the student athlete to the agent and must contain a warning to the student athlete in 10-point boldfaced type.

A college may sue for damages any person who violates the provisions of this bill. A college that prevails in a suite may recover (1) actual damages; (2) punitive damages; (3) court costs, and (4) reasonable attorneys' fees.

The fiscal impact from enactment of this bill is estimated to be a maximum increase in state expenditures of \$4,500 for incarceration*. This estimate is based on one conviction each year receiving a sentence of one year with 30% or 110 days actually being served.

Enactment of this bill is also estimated to result in an increase in state expenditures to the college for legal expenses, if such college sues for damages and loses the suit. However, such increase is estimated to be not significant.

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.



James A. Davenport, Executive Director

*Section 9-6-119, TCA, requires that: *For any law enacted after July 1, 1986, which results in a net increase in periods of imprisonment in state facilities, there shall be appropriated from recurring revenues the estimated operating cost of such law.*